

GROWTH THROUGH LEARNING, INC.
WORCESTER, MASSACHUSETTS

FINANCIAL STATEMENTS - JUNE 30, 2008 and 2007
(With Independent Auditor's Report Thereon)

STEVEN P. RICHER, CPA
Certified Public Accountant

GROWTH THROUGH LEARNING, INC.
FINANCIAL STATEMENTS
JUNE 30, 2008 and 2007

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INDEPENDENT AUDITOR'S REPORT

To The Board of Directors
Growth Through Learning, Inc.

I have audited the accompanying statement of financial position of Growth Through Learning, Inc. as of June 30, 2008 and 2007 and the related statement of activities, changes in net assets, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audits provide a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Growth Through Learning, Inc. as of June 30, 2008 and 2007 and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.



Millbury, Massachusetts
November 3, 2008

GROWTH THROUGH LEARNING, INC.
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2008 and 2007

	<u>General Fund</u>	<u>Plant Fund</u>	<u>Endowment Fund</u>	<u>TOTALS 2008</u>	<u>TOTALS 2007</u>
<u>ASSETS</u>					
CURRENT ASSETS:					
Cash - checking account	\$ 4,945	\$ -	\$ -	\$ 4,945	\$ 25,704
Cash - Mutual fund	164,984	-	-	164,984	86,308
Cash - CD's and money market account	168,821	-	-	168,821	63,397
Accounts receivable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,040</u>
Total current assets	<u>338,750</u>	<u>-</u>	<u>-</u>	<u>338,750</u>	<u>275,449</u>
PROPERTY AND EQUIPMENT:					
Less - accumulated depreciation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total property and equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 338,750</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 338,750</u>	<u>\$ 275,449</u>
<u>LIABILITIES AND NET ASSETS</u>					
CURRENT LIABILITIES:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued payroll taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total current liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET ASSETS					
Unrestricted net assets	338,750	-	-	338,750	232,256
Temporarily restricted net assets	-	-	-	-	43,193
Permanantly restricted net assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total net assets	<u>338,750</u>	<u>-</u>	<u>-</u>	<u>338,750</u>	<u>275,449</u>
Total liabilities and net assets	<u>\$ 338,750</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 338,750</u>	<u>\$ 275,449</u>

See Independent Auditor's Report

The accompanying notes are an integral part of these financial statements

GROWTH THROUGH LEARNING, INC.
STATEMENT OF ACTIVITIES
AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007

	<u>Unrestricted</u>		Temp	<u>TOTALS</u>	<u>TOTALS</u>
	<u>General</u>	<u>PLANT</u>	<u>Restricted</u>	<u>2008</u>	<u>2007</u>
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>		
REVENUES:					
Contributions	\$ 224,015	\$ -	\$ -	\$ 224,015	\$ 206,485
Contributions - Endowment	53,330	-	-	53,330	50,880
Investment income (loss) - net	(4,096)	-	-	(4,096)	9,150
Interest income and misc. income	6,817	-	-	6,817	2,106
Total revenues	<u>280,066</u>	<u>-</u>	<u>-</u>	<u>280,066</u>	<u>268,621</u>
EXPENDITURES:					
Program services:					
Direct service to clients	163,160	-	-	163,160	159,189
Total program services	<u>163,160</u>	<u>-</u>	<u>-</u>	<u>163,160</u>	<u>159,189</u>
Administrative services:					
Management and general	53,605	-	-	53,605	67,716
Fund raising	-	-	-	-	-
Total administrative services	<u>53,605</u>	<u>-</u>	<u>-</u>	<u>53,605</u>	<u>67,716</u>
TOTAL EXPENDITURES	<u>216,765</u>	<u>-</u>	<u>-</u>	<u>216,765</u>	<u>226,905</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	63,301	-	-	63,301	41,716
NET ASSETS, BEGINNING OF YEAR	232,256	-	43,193	275,449	233,733
RELEASE OF RESTRICTION ON TEMP ENDOWMENT FUNDS	<u>43,193</u>	<u>-</u>	<u>(43,193)</u>	<u>-</u>	<u>-</u>
NET ASSETS, END OF YEAR	<u>\$ 338,750</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 338,750</u>	<u>\$ 275,449</u>

See Independent Auditor's Report
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GROWTH THROUGH LEARNING, INC.
STATEMENT OF FUNCTIONAL EXPENSES (ALL FUNDS)
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007

	<u>Support Services</u>					
	Program	Manage	Fund	Temp	<u>TOTALS</u>	<u>TOTALS</u>
	<u>Services</u>	<u>& General</u>	<u>Raising</u>	<u>Restricted</u>	<u>2008</u>	<u>2007</u>
				<u>Fund</u>		
Application fees	\$ 1,150	\$ -	\$ -	\$ -	\$ 1,150	\$ 826
Advertising	-	270	-	-	270	-
Audit fees	-	2,260	-	-	2,260	2,150
Bank services charges	-	754	-	-	754	1,725
Board costs	-	1,220	-	-	1,220	479
Contract Labor	-	467	-	-	467	491
Coordinators fees	3,400	-	-	-	3,400	5,715
Dues and subscriptions	-	305	-	-	305	-
Filing fees	-	35	-	-	35	35
Insurance	-	839	-	-	839	807
Newsletter and web page	-	862	-	-	862	894
Office supplies and expenses	-	1,192	-	-	1,192	2,248
Payroll fees	-	443	-	-	443	2,191
Payroll taxes	-	3,073	-	-	3,073	3,356
Postage and delivery	-	590	-	-	590	497
Presidents discretionary fund	-	1,491	-	-	1,491	-
Printing and reproduction	-	2,030	-	-	2,030	3,300
Professional fees	-	60	-	-	60	1,097
Rent	-	4,800	-	-	4,800	4,800
Salaries	-	30,114	-	-	30,114	35,635
Small equipment and repairs	-	800	-	-	800	579
Scholarships	152,780	-	-	-	152,780	149,620
Telephone and internet	-	1,579	-	-	1,579	1,323
Travel	5,830	-	-	-	5,830	8,743
Utilities	-	421	-	-	421	394
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total expenses	<u>\$ 163,160</u>	<u>\$ 53,605</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 216,765</u>	<u>\$ 226,905</u>

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GROWTH THROUGH LEARNING, INC.
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 63,301	\$ 41,716
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	-	-
(Increase) decrease in:		
Accounts receivable	100,040	(100,040)
Increase (decrease) in:		
Accounts payable	-	-
Accrued payroll taxes	-	-
Net cash provided by operating activities	<u>163,341</u>	<u>(58,324)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Loss on disposal of property and equipment	-	-
Purchases of property and equipment	-	-
Net cash used by investing activities	<u>-</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from long-term borrowings	-	-
Payments on long-term debt	-	-
Net cash provided (used) by financing activities	<u>-</u>	<u>-</u>
Net increase in cash	163,341	(58,324)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>175,409</u>	<u>233,733</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$338,750</u>	<u>\$175,409</u>

See Independent Auditor's Report
The accompanying notes are an integral part of these financial statements
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GROWTH THROUGH LEARNING, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies of Growth Through Learning, Inc. conform to generally accepted accounting principles. The following is a summary of the more significant policies:

Business Purpose

The Organizations purpose is to provide and enhance educational opportunities for women and children of the East African countries of Uganda, Tanzania and Kenya; presenting public discussion groups, forums, panels, lectures or other similar educational programs on the plight of women and children in these countries in order to soliciting funds from all sources for the purpose of providing these funds for the above.

Tax Status

The organization was incorporated under the provisions of Chapter 180 of the General Laws of the Commonwealth of Massachusetts on June 30, 1997. The organization has been granted a tax-exempt status by the Internal Revenue Service under Code Section 501(c)(3).

Method of Accounting

The organization prepares its financial statements on the accrual method of accounting in accordance with generally accepted accounting principles; consequently, the organization recognizes revenue as it is earned rather than received. The expenses are recognized when the obligation is incurred.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates,

GROWTH THROUGH LEARNING, INC.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2008 AND 2007

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Financial Statement Presentation

During fiscal year ended 09/30/97, a new Statement of Financial Accounting Standards (SFAS) No 117, "Financial Statements of Not-for-Profit Organizations" was mandated. Under SFAS No 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted net assets.

NOTE 2: ENDOWMENT FUND

The Maine Community Foundation has informed Growth Through Learning, Inc. that they have received an Anonymous Grant of \$1,000,000 that they are administering on behalf of Growth Through Learning, Inc. This is classified as a designated fund, with the spending from the fund limited to Invested/Income only. The revenues received from this endowment fund are to be used to support the cost of an executive/administrator. This will help Growth Through Learning, Inc.'s future stability and sustainability by providing permanent, reliable support for a paid staff member.

To release the annual grant distribution, GTL needs to submit a written request annually to the vice president for philanthropic services at the foundation.

On June 27, 2007, the Foundation authorized the use of the distributions from the Fund for non-personnel related operating expenses, to the degree that the distribution is in excess of the Executive Director's salary costs. This use of the funds may be submitted in writing, which would describe the deviations from the primary purpose.

If Growth Through Learning, Inc. determines the income of the fund is not needed in any given year, the annual distribution will be reinvested in the principal of the fund.

The ending value of the fund at 06/30/08 per the Maine Community Foundation Fund Statement is \$1,114,702. \$53,330 and 50,880 was distributed to Growth Through Learning, Inc. in February 2008 and January 2007 respectively.